

AVON PENSION news



THE NEWSLETTER FOR AVON PENSION FUND MEMBERS - **AMENDMENT REGULATIONS 2018**

Amendments to the LGPS

Changes have been made to the Local Government Pension Scheme (LGPS). These changes, unless indicated otherwise, came into effect from 14 May 2018.

Changes to pre-April 2014 AVC contracts

If you are an active member of the LGPS who is, or was, paying into an Additional Voluntary Contributions (AVCs) contract that started before 1 April 2014, there are some changes to the way AVCs are deducted and how / when you can take your AVC plan.

If you are currently paying AVCs:

- you can now pay up to 100% (rather than 50%) of your pensionable pay into your AVC plan.
- AVCs will now also be deducted from any voluntary overtime you work (if you pay AVCs as percentage of your salary).

When you take your AVC plan:

- if you leave the scheme with a deferred benefit you can now buy additional pension from the LGPS with your AVC plan when you take your benefits from the scheme. Before the change, this option was only available to members who took immediate payment of their main scheme benefits and their AVC plan when they left the scheme.
- when you take your main scheme benefits you will no longer be able to leave your AVC invested and take it later.
- if you die before taking your AVC and a lump sum is to be paid from your AVC plan your pension fund now has absolute discretion over who to pay that sum to (rather than it having to be paid to your estate). If the lump sum is paid at the discretion of the pension fund it does not form part of the estate and will not be subject to inheritance tax.

For more information about AVCs go to: www.avonpensionfund.org.uk/build-extra-savings-avcs

Expansion of the underpin

The way your pension is calculated in the LGPS changed from 1 April 2014. If you were a member of the LGPS before 1 April 2014 any benefits built up to 31 March 2014 are protected as final salary benefits and will normally be calculated using your membership to 31 March 2014 and your final year's pay.

An additional protection was put in place for members who were active members of the LGPS on 31 March 2012 and who were within 10 years of age 65 at 1 April 2012. Subject to certain conditions, these members will get a pension at least equal to that which they would have received had the scheme not changed on 1 April 2014. This protection is known as the underpin.

This underpin protection has now been extended to also apply to people who were active members of a different public service pension scheme on 31 March 2012 and who were within 10 years of age 65 on 1 April 2012; if these people join the LGPS and transfer their pension benefits from the other public service pension scheme into the new LGPS scheme and part or all of that transfer buys final salary benefits in the LGPS, subject to certain conditions, the underpin will apply.

This change takes effect from 1 April 2014.

More information on the underpin is available at: www.avonpensionfund.org.uk/protections-my-pension



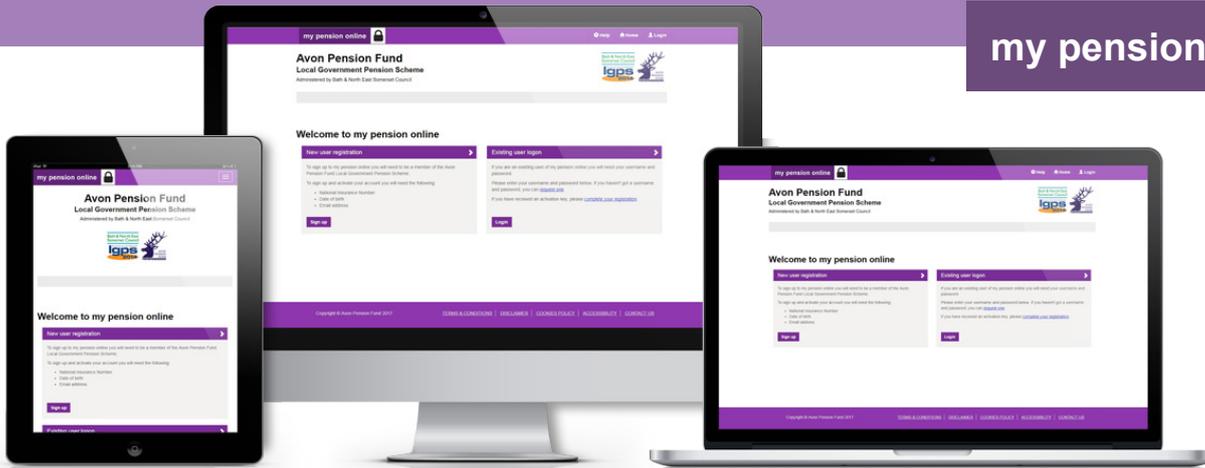
Pension scams. Don't get stung.

www.pensionwise.gov.uk/scams

AVON PENSION FUND IS ADMINISTERED BY BATH & NORTH EAST SOMERSET COUNCIL

Check your pension account online today!

my pension online



The quick way to access details about your own pension is through **my pension online** the member self-service facility on the Avon Pension Fund website.

It's a safe and secure way to view your account and you can do a range of things such as updating your pension record as well as doing estimates on your own pension.

To sign up and get access you'll need to register, with your name, National Insurance number, date of birth and email address. You'll then be sent an activation email from us. Once you receive this you should follow the on screen instructions to complete your registration, where you will be asked to create your own password and two security questions.

Sign up today at www.avonpensionfund.org.uk

These are some of the things you can do on my pension online:

- Do estimates on your pension with the pension calculators – you can see what your pension could be if you were to stay paying into the scheme until you retire or if you were to leave the scheme
- Update your contact details – address, telephone and email details can all be updated
- Update your expression of wish form for the death grant
- Calculate how much tax-free cash lump sum you could get using the conversion graph
- See the current value of your pension and view your pension account history year-by-year
- View your annual pension statements
- View your personal, employment and financial details – showing your current and previous employment as well as the contribution rate you pay into the pension fund
- Submit online enquiries or requests for services to us – such as name changes, requests for formal estimates or divorce quotes

Your Annual Benefit Statement is available online

Your annual benefit statement is already available through **my pension online** (under "My pension statements" on the home dashboard)

Next year, to save on printing and postage costs, we won't be posting out the statements to all those members signed up to **my pension online**. Instead you will need to access your statement online. The newsletters that we send you will also be available online. We will send you an email to let you know when these are available to download.

But if you still want to get paper copies of statements and newsletters you just need go into the "My details" section and then "Communications preference" on **my pension online** and choose the "post" option.

You can also write to us to let us know. Our address is at the bottom of the front page of this newsletter. Please include your name, date of birth and National Insurance number in your letter. If you've already let us know that you want to be sent paper-based information then you don't need to again.

Go to www.avonpensionfund.org.uk and follow the **my pension online** link on the homepage.

National Fraud Initiative

The Avon Pension Fund participates in the government's National Fraud Initiative (NFI) run by the Cabinet Office. We may have to provide member details to other bodies responsible for auditing or administering public funds, for comparison. If you would like to know more about the NFI there is an article on our website at: www.avonpensionfund.org.uk/national-fraud-initiative